

CLAIMS

We claim:

- 5 1. A method for an organization to conduct a bidding process for products or services it needs comprising the steps of:
 - a) creating a requisition for purchase of sundry items or services needed;
 - 10 b) requiring any potential supplier that wants to bid to register, wherein registering includes:
 - 15 1) providing contact information and other information deemed relevant by the organization;
 - 20 2) verifying by the organization said potential supplier meets certain predefined criteria;
 - 25 3. having the potential supplier indicate at least one area of interest to supply service or products, said area of interest being a category of supplies or services the organization may need; and
 - 4) approving said potential supplier as an authorized supplier with authority to submit bids when said potential supplier meets said predefined criteria.

c) notifying registered potential suppliers when the requisition is for services or products in the category of the at least one area of interest the potential supplier selected.;

5 d) providing prospective suppliers with a detailed copy of the requisition on which they can determine if they want to make a bid;

e) accepting from prospective suppliers bids for supplying the product or service sought by the requisition;

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f) closing the bidding process at a preset date; and

g) awarding the requisition to one of the prospective suppliers that submitted a bid.

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2. The method of claim 1 wherein the step of accepting bids further comprises accepting sealed bids from potential suppliers and the step of awarding said bids comprises the step of first unsealing the bids, reviewing the bids and then granting the bid to a potential supplier based on a pre-selected criteria.

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3. The method of claim 1 wherein the step of creating a requisition includes the step of determining if the whole requisition should be awarded as a single unit to one supplier or if it can be broken up into several units and with each unit being awarded to one or more suppliers.

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4. The method of claim 1 wherein the step of creating the requisition for purchase comprises the steps of:

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- a) identifying the product or service needed;
 - b) itemizing in a line by line fashion particulars of each item being sought by the requisition;
 - c) providing bidding instructions;
 - d) assigning a closing date after which bids will not be accepted; and
 - e) setting a date by which the items being bid on must be supplied by a supplier awarded the requisition.
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15 5. The method of claim 1 wherein the step of accepting electronic bids from prospective suppliers includes:

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- a) selecting by the prospective supplier a requisition to enter a bid on;
 - b) making by the prospective supplier an offer to supply a service or product listed in the requisition at a specific price; and
 - c) providing by the prospective buyer particular information regarding the service or product the prospective supplier proposes to provide to fulfill an award of the bid.
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6. The method of claim 1 wherein the step of awarding the requisition includes the following steps:

- a) changing the requisition to a closed status;
- b) reviewing the bids made by various prospective suppliers; and
- c) selecting from the bids offered one to which the requisition will be granted based on the organizations selection criteria.

7. The method of claim 1 wherein the step of creating a requisition includes the steps of:

- a) time period during which said prospective suppliers who have bid to alter or withdraw their bid;
- b) setting a specific time when bids can no longer be withdrawn or altered; and
- d) setting a final date and time by which bids must be submitted.

8. The method of claim 1 including the further step of saving in a locked format: a) all posted requisitions, 2) all modifications or changes made to said requisitions, 3) all bids made and 4) the bid to which the requisition was awarded.

9. The method of claim 8 including the further step of archiving the information saved in a locked format for future audit purposes.

10. The method of claim 1 wherein the potential supplier has the option of submitting questions to the organization regarding the requisition; and issuing of answers by the organization.

11. The method of claim 10 including the further step making public the question and answer by the organization.

5 12. A method for an organization to conduct a bidding process for products or services it needs on a computer system over the internet comprising the steps of:

a) creating a requisition for purchase of sundry items or services needed;

10 b) posting the requisition for purchase on an electronic site accessible over an internet wherein the requisition is accessible by third parties over the internet;

c) notifying by electronic mail prospective suppliers of the services or products requested in the requisition, of the existence of the pending requisition;

15 d) allowing prospective suppliers to access view the requisition on line;

e) accepting from prospective suppliers electronic bids for supplying the product or service sought by the requisition;

20 f) closing the bidding process at a preset date; and

g) awarding the requisition to one of the prospective suppliers that submitted a bid.

25 13. The method of claim 12 including the further steps of:

- a) requiring any potential supplier that wants to bid to register;
- b) registering by the potential seller includes providing contact information and other information deemed relevant by the organization;
- c) verifying by the organization said potential supplier meets certain predefined criteria; and
- d) approving said potential supplier as an authorized supplier with authority to submit bids when said potential suppliers meets said predefined criteria.

14. The method of claim 12 including the further step of allowing the potential supplier to ask questions regarding the requisition during the bid period and answering the questions by the organization.

15. The method of claim 14 including the additional step of making the questions and answers on the site accessible over an internet.

16. The method of claim 12 wherein the step of accepting bids further comprises accepting electronically sealed bids from potential suppliers and the step of opening said bids for review comprises the step of first unsealing the bids before opening said bids for review so that a sealed bid process is maintained.

17. The method of claim 13 wherein the step of notifying prospective suppliers of the existence of the requisition comprises notifying only authorized supplier.

18. The method of claim 12 wherein the step of creating a requisition includes the step of determining if the whole requisition should be awarded as a single unit to one supplier or if it can be broken up into several units and with each unit being awarded to one or more suppliers.

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19. The method of claim 12 wherein the step of creating the requisition for purchase comprises the steps of:

f) identifying the product or service needed;

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g) itemizing in a line by line fashion particulars of each item being sought by the requisition;

h) providing bidding instructions;

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i) assigning a closing date after which bids will not be accepted; and

j) setting a date by which the items being bid on must be supplied by a supplier awarded the requisition.

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20. The method of claim 12 wherein the step of accepting electronic bids from prospective suppliers includes:

a) allowing accesses by a prospective supplier to a database with requisitions posted at the accessible site;

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b) selecting by the prospective supplier a requisition to enter a bid on;

c) making by the prospective supplier an offer to supply a service or product listed in the requisition at a specific price; and

5 d) providing by the prospective supplier particular information regarding the service or product the prospective supplier proposes to provide to fulfill an award of the bid.

10 21. The method of claim 12 wherein the step of awarding the requisition includes the following steps:

e) changing the requisition to a closed status;

15 f) reviewing the bids made by various prospective suppliers; and

g) selecting from the bids offered one to which the requisition will be granted based on the organizations selection criteria.

20 22. The method of claim 12 wherein the step of creating a requisition includes the steps of:

a) time period during which said prospective suppliers who have bid to alter or withdraw their bid;

25 b) setting a specific time when bids can no longer be withdrawn or altered; and

h) setting a final date and time by which bids must be submitted.

23. The method of claim 12 including the further step of saving in a locked format: a) all posted requisitions, 2) all modifications or changes made to said requisitions, 3) all bids made and 4) the bid to which the requisition was awarded.

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24. The method of claim 23 including the further step of archiving the information saved in a locked format for future audit purposes.

25. A system for soliciting bids from potential suppliers for product or service needs of an organization over the internet comprising:

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a) a computer of an organization connected to the internet;

b) an interactive memory site on said computer accessible from the internet by third parties connected to the internet;

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c) requisitions for purchases sought by the organization stored at said interactive site and for viewing by those who obtain access to the site from the internet; and

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d) bid protocol available to third party suppliers to view requisitions at said interactive memory site and leave an offer to supply a product or service itemized in the requisition, when said third party supplier obtains access to said interactive memory location from a connection to the internet.

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26. The system of claim 25 wherein said bid protocol also provides for the classification of individuals within the organization using the system as buyers who prepare the

requisitions for the bid process, business administrators with authority to appoint buyers and authorize suppliers to register so they can bid on requisitions, systems managers to manage technical aspects of the entire system and purchasing directors who have access to all requisitions and authority to appoint buyers and authorize suppliers to register so they can bid on requisitions.

26. The system of claim 25 in which the system saves all requisitions and related information in a locked format.

27. The system of claim 25 in which the requisitions are saved in a requisition database classified as a draft requisition for those in preparation, as open requisition for those that have been posted and the bid period still has not expired, a closed requisition for those for which the bid period has expired and historical requisition for those that have been fulfilled.

28. The system of claim 25 wherein the interactive site is a website of the organization.

29. A method for providing a smooth work flow in an organization for product or service procurement comprising the steps of:

- a) uniquely identifying a requisition for a product or service on submission of the requisition for action;
- b) assigning various discrete portions of the requisition to various individuals responsible for an organizations procurement on a preset basis;
- c) retraining a current record of the status and location of each uniquely identified requisition and its various discrete parts;
- d) creating an historical record of all transactions involving each requisition and their

various discrete parts;

- e) retaining a permanent, readable and unalterable record of the historical record of all transactions involving each requisition and its discrete parts;
- f) flagging each discrete part of each requisition with a required action date; and
- g) generating a warning signal when the required action date will arrive in a preset time.